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FLOOR BRIAN 07/02/82 105422 PRINTER: WM

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ORIGIN EB-08
INFO OCT-00 ADS-00 INR-10 EUR-12 CIAE-00 FA-10 H-01
NSA-06 NSAE-00 COME-00 LAE-04 TRSE-00 OMB-01 STR-11
FRB-03 AGR-01 SP-02 /069 R
DRAFTED BY EB/ORF/OFP/FPD:GDMILLER:MI
APPROVED BY EB/ORF/OFP:DFHART
EB/ORF/OFP/FPD:BBFURNESS
EUR/NE:WDAMERON
EUR/RM:DHERSPRING
USDA:RWADSWORTH (SUBS)
H (SUBS)

------------------250233 030049Z /67

R 022239Z SEP 81
FM SECSTATE WASHDC
TO AMEMBASSY DUBLIN
INFO AMEMBASSY ALGIERS
AMEMBASSY BRUSSELS
AMEMBASSY MOSCOW
AMEMBASSY WARSAW
AMEMBASSY WELLINGTON
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USEC--
E.O. 12065:N/A
TAGS: EAGR, ETRD
SUBJECT: US DAIRY SALES TO POLAND
REF: A) DUBLIN 3529 B) STATE 209250
1. (LOU) SHOULD THE DAIRY BOARD OR IRISH AUTHORITIES

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY gf DATE 4/1/84
RDS ☐ or XDS ☐ EXT. DATE _____
TC AUTH. _____ REASON(S) _____
ENDORSE EXISTING MARKINGS
DECLASSIFIED ☐ RELEASABLE ☑
RELEASE DENIED ☐
PA or FOI EXEMPTIONS _____

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RAISE QUESTION OF U.S. DAIRY SALES TO POLAND AGAIN, EMBASSY SHOULD REPLY THAT WE DO NOT RPT NOT BELIEVE THAT OUR SALES TO POLAND HAVE ANY IMPACT AT ALL ON THE WORLD DAIRY MARKET. POLAND IN ITS PRESENT SITUATION IS NOT AN ATTRACTIVE MARKET FOR MOST COMMERCIAL DAIRY EXPORTERS. THE U.S. SALES OF DAIRY PRODUCT TO POLAND WILL HELP REDUCE THE TENSIONS IN POLAND BY INCREASING AVAILABLE FOOD SUPPLIES. PEACEFUL RESOLUTION OF THE PROBLEMS IN POLAND IS VERY MUCH IN IRELAND'S INTEREST AS WELL AS OUR OWN. THE EUROPEAN COMMUNITY HAS RECOGNIZED THIS IN ITS OWN SALES OF DAIRY PRODUCTS AND OTHER AGRICULTURAL COMMODITIES TO POLAND.
2. (U) U.S. DAIRY SALES TO POLAND HAVE BEEN CASH TRANSACTIONS. NO CREDIT HAS BEEN INVOLVED. IN APRIL USDA'S COMMODITY CREDIT CORPORATION (CCC) SOLD 30,000 TONS OF SALTED,82 PERCENT BUTTER (DIFFERNT FROM STANDARD BUTTERFOR $1,575 PER METRIC TON, FOB STOVED (CURRENT WORLD PRICE IS APPROXIMATELY $2,100-$2,300 PER METRIC TON,FOB), AND 30,000 TONS OF NON-FAT DRY MILK FOR $770

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PER TON, FOR SHOWED (CURRENT WORLD PRICE IS APPROXIMATELY $1,100 PER METRIC TON, FOB). THE CCC ACCEPTED PAYMENT IN ZLOTYS. IN AUGUST CATHOLIC RELIEF SERVICE PURCHASED 3,000 TONS EACH OF NON-FAT DRY MILK, BUTTER AND CHEESE FOR FIVE CENTS A POUND. FURTHER SALES MAY OCCUR.

3. (U) EMBASSY MAY ALSO DRAW ON POINTS IN REF B TO COUNTER IRISH DAIRY BOARD COMPLAINTS ABOUT U.S. DAIRY SALES IN GENERAL. IN PARTICULAR, EMBASSY SHOULD STRESS THAT THE U.S. IS TAKING RESPONSIBLE STEPS TO REDUCE ITS DAIRY SURPLUS, THAT THE U.S. HAS BEEN CAREFUL TO AVOID DISRUPTING WORLD DAIRY MARKETS, THAT THE EC WAS CONSULTED BEFORE THE SALE

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TO NEW ZEALAND WAS MADE, AND THAT THE PRICE NEW ZEALAND PAID IS REASONABLE.

FAIG

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